GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:4943
ANSWERED ON:20.12.2002
TAX EVADERS
PATY RIPPLE KYNDIAH

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the attention of the Government has been drawn to the news-item captioned `I-T Dept. not wired to net tax evaders` appearing in the Times of India, New Delhi dated September 2, 2002;

(b) if so, the facts and details of the matter reported therein;

(c) the reasons for the delay in processing the huge outstanding Income Tax returns electronically; and

(d) the action taken by the Government to wipe out the arrears?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN)

(a): Yes, Sir.

(b): Out of 478 cities in which the Income Tax Department has offices, 60 major cities have already been brought on the network in the first two phases of the computerisation programme. These cities cater to over 70% of the tax payers and generate 75% of tax revenues. Permanent Account Number has been allotted to over 2.5 crore tax payers. Networking of remaining 418 cities is included in phase III of computerisation programme which has received financial sanction recently. Further, out of total 5905 Lower Division Clerks (LDCs), 5840 LDCs have received training and 3715 LDCs have passed the eligibility test. Most of the remaining LDCs are promotees from Group `D` cadres, who are being provided facilities for re-training and extra practice.

(c): Over 25 lakh Income Tax Returns have been processed electronically till 30.11.2002. Lack of available resources in terms of manpower and infrastructure resulted in delay of electronic processing of Returns.

(d): Liquidation of tax arrears is an ongoing process under which old demands are liquidated and new demands are added on a continuous basis. Therefore, the entire tax arrears cannot be wiped out. The Government have been taking necessary legal and administrative measures for the reduction and collection of tax arrears.